



ENERGY ASSURANCE DAILY

Monday Evening, December 19, 2016

Electricity

Entergy's 653 MW Pilgrim Nuclear Unit 1 in Massachusetts Shut December 15

The unit remained shut on Monday after three leaking steam valves were discovered last Thursday. Entergy has said the plant will permanently shut in 2019 due to poor market conditions, reduced revenues, and increased operational costs.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

<http://patch.com/massachusetts/plymouth/pilgrim-nuclear-plant-shut-down>

Update: Exelon's 619 MW Oyster Creek Nuclear Unit in New Jersey Restarts, Ramps Up to 30 Percent by December 19

The unit was shut from 45 percent on December 14 to repair the turbine control system located in the non-nuclear side of the plant.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

[http://www.exeloncorp.com/newsroom/oyster-creek-generating-station-offline-\(3\)](http://www.exeloncorp.com/newsroom/oyster-creek-generating-station-offline-(3))

Energy Northwest's 1,107 MW Columbia Nuclear Unit in Washington Shut December 18

The unit shut from 99 percent due to an equipment malfunction at the Bonneville Power Administration's substation near the Columbia Generating Station, which is operated by Energy Northwest. Local media reported cold weather caused the loss of the 500 kV line connecting the nuclear plant's main output transformers to the substation. The power plant's operating crew successfully stabilized the plant and officials for Energy Northwest said it remained safe.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

<https://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20161219en.html>

Reuters, 12:01 December 19, 2016

NRC Approves Operating License Extension for DTE's 1,217 MW Fermi Nuclear Unit 2 in Michigan

DTE Energy's Fermi 2 nuclear power plant on December 16 received its renewed license from the Nuclear Regulatory Commission (NRC), which permits the power plant to continue generating electricity until 2045. The original operating license for Fermi 2 would have expired March 20, 2025. The NRC approved the license renewal request after more than two years of extensive review of Fermi 2.

<http://newsroom.dteenergy.com/2016-12-16-Fermi-2-to-operate-until-2045#sthash.DNorZjsf.dpbs>

AEP Ohio Requests Proposals for Renewable Energy Projects Totaling 350 MW December 16

AEP Ohio on Friday issued two Requests for Proposals (RFPs) for 250 MW of wind generation and 100 MW of solar generation resources in Ohio, which are due February 16, 2017. AEP Ohio committed to develop 500 MW of new wind generation and 400 MW of solar generation as part of a stipulated agreement approved by the Public Utilities Commission of Ohio (PUCO) on November 3, 2016.

<http://www.aep.com/newsroom/newsreleases/?id=1969>

PES Reports Unit Restart at Its 335,000 b/d Philadelphia, Pennsylvania Refinery December 12

Philadelphia Energy Solutions (PES) reported a unit restart at its Philadelphia, Pennsylvania refinery on December 12, according to a filing with the state pollution regulator. In addition, the filing said unit 864 shutdown on December 10 after a mechanical issue developed in a heater, and unit 860 was also shut on December 10 due to lack of feed supply. Both unit shutdowns occurred in the Point Breeze section of the refinery.

Reuters, 14:19 December 16, 2016

Phillips 66 Reports Compressor Loss at Its 238,000 b/d Linden, New Jersey Refinery December 16

Phillips 66 reported a compressor loss which led to flaring at its Linden, New Jersey refinery on December 16, according to a filing with the National Response Center.

Reuters, 10:08 December 19, 2016

Phillips 66 Reports Benzene Release at Its 336,000 b/d Wood River, Illinois Refinery December 17

Phillips 66 reported a benzene release from internal piping due to unknown causes at its Wood River, Illinois refinery on December 17, according to a filing with the National Response Center. Additionally, Phillips 66 reported a unit upset at the refinery on December 18, according to a filing with the Illinois Emergency Management Agency.

Reuters, 10:02 December 19, 2016

Reuters, 4:08 December 19, 2016

FCCU at Motiva's 603,000 b/d Port Arthur, Texas Refinery Returns to Normal Operations December 19 after Malfunction December 16 – Source

The fluidic catalytic cracking unit (FCCU) at Motiva Enterprises' Port Arthur, Texas refinery was operating normally on Monday after a control system malfunction disrupted production over the weekend, said sources familiar with plant operations. The 81,000 b/d FCCU's automated control system malfunctioned on Friday, according to a notice filed with the Texas Commission on Environmental Quality.

Reuters, 13:40 December 19, 2016

Phillips 66 Reports Upsets at Its 146,000 b/d Borger, Texas Refinery December 17

Phillips 66 reported the fluid catalytic cracking unit and sulfur recovery unit experienced upsets at its Borger, Texas refinery on December 17, according to a filing with the Texas Commission on Environmental Quality. Phillips 66 said cold temperatures contributed to one of the unit upsets.

Reuters, 22:07 December 18, 2016

Reuters, 10:47 December 19, 2016

Alon Reports SRU Restart after Malfunction at Its 70,000 b/d Big Spring, Texas Refinery December 18

Alon USA Energy reported a cold weather front dropped temperatures by 40 degrees in one hour causing control equipment to malfunction at its Big Spring, Texas refinery on December 18, according to a filing with the Texas Commission on Environmental Quality.

Reuters, 20:36 December 18, 2016

Sinclair Oil Reports Equipment Failure at Its 85,000 b/d Sinclair, Wyoming Refinery December 16

Sinclair Oil Corp reported material was released to the flare due to an equipment failure at its Sinclair, Wyoming refinery on December 16, according to a filing with the National Response Center.

Reuters, 10:08 December 19, 2016

BP Reports Emissions, SRU Malfunction at Its 225,000 b/d Cherry Point, Washington Refinery December 17

BP reported a release of sulfur dioxide and hydrogen sulfide into the atmosphere from the flare due to a malfunction in the sulfur recovery unit (SRU) at its Cherry Point, Washington refinery on December 17, according to a filing with the National Response Center.
Reuters, 10:11 December 19, 2016

Chevron Reports Plant Startup at Its 245,271 b/d Richmond, California Refinery December 19

Chevron Corp reported a plant startup and flaring at its Richmond, California Refinery on December 19, according to a filing with the California Emergency Management Agency.
Reuters, 12:13 December 19, 2016

San Joaquin Refining Says Small Fire Extinguished at Its 15,000 b/d Bakersfield, California Refinery December 16

San Joaquin Refining Co. said a minor fire in a small asphalt storage tank was extinguished at its Bakersfield, California refinery on Friday. The fire was quickly contained by the refinery crew and local fire officials with no injuries, San Joaquin Refining's Chief Operating Officer (COO) said. Loading operations were affected for about an hour when the Kern County sheriff's department closed the road to the refinery, but operations were otherwise unaffected, the COO added.
Reuters, 19:07 December 16, 2016

Imperial Says Boiler Restart Underway after Trip at Its 121,000 b/d Sarnia, Ontario Refinery December 16

Imperial Oil Ltd said it was in the process of restarting a boiler at its Sarnia, Ontario refinery after it tripped on December 16, according to a community information line.
Reuters, 17:04 December 16, 2016

U.S. Drillers Add 12 Oil Rigs December 16 – Baker Hughes

U.S. drillers added 12 oil rigs in the week to December 16, bringing the total count to 510, the highest since January, but still below 541 rigs a year ago, energy services firm Baker Hughes said on Friday. The Baker Hughes oil rig count fell from a record 1,609 in October 2014 to a six-year low of 316 in May 2016.

http://www.rigzone.com/news/oil_gas/a/147816/Baker_Hughes_US_Drillers_Add_Oil_Rigs_For_7th_Week_In_A_Row

Natural Gas

SoCalGas Advises Core Customers to Reduce Natural Gas Use; Issues Curtailment Watch for Noncore Customers in Southern California December 18

Southern California Gas Co. (SoCalGas) on Sunday night advised its customers to reduce natural gas use in order to mitigate the risk of natural gas and electricity shortages due to colder than normal weather throughout the U.S. Southwest and its Southern California service territory. SoCalGas' distribution system remains constrained following the massive leak that restricted operations its 86 Bcf Aliso Canyon storage facility, which is normally used to meet peak demand periods. The advisory said the company was meeting system demands utilizing significant storage withdrawal, but there was potential for interstate pipeline supply disruptions due to widespread cold temperatures. The advisory urges core customers to restrict residential gas use and warned that noncore customers (large commercial and industrial customers, including electric generation plants) may receive a notice to curtail service. A SoCalGas spokesman on Monday said the company did not pull any gas from Aliso Canyon, but did draw significantly on other fields to maintain system reliability. According to the U.S. Energy Information Administration's Southern California Daily Energy Report, SoCalGas' total storage withdrawal from gas day December 16 – 19 was approximately 2.97 Bcf. Gas demand on Monday was expected to reach 4 Bcf, with 2.9 Bcf coming from pipeline imports and the remaining 1.1 Bcf/d from SoCalGas' other three storage facilities. The California Independent System Operator (CAISO), which runs the power grid for much of the state, has not yet called on consumers to cut back on electric consumption.

<http://sempira.mediaroom.com/index.php?s=19080&item=137233>

Reuters, 13:46 December 19, 2016

<http://www.eia.gov/special/disruptions/socal/winter/#dashboard>

Destin Pipeline Adds Offshore Transportation Service Beginning December 20 after Enterprise's 1.5 Bcf Pascagoula Gas Processing Facility Restarts December 15

Destin Pipeline Co. said beginning gas day December 20, it would add transportation service from the Marlin offshore platform to Enterprise's Pascagoula, Mississippi natural gas processing facility, which restarted last week following months of unplanned repairs. Destin began shipping natural gas from several offshore points to the processing facility on December 17, but its transportation system will remain in a state of force majeure until operations at the facility return to normal. The 225-mile Destin gas pipeline system can carry 1.2 Bcf/d from offshore producers to the Pascagoula plant, and then further north to interconnections with six major interstate gas transmission lines. The Pascagoula facility was shut on June 27 after two explosions damaged its processing trains, forced Destin to declare a force majeure event, and resulted in temporary offshore production platform shut-ins while operators adjusted transportation arrangements.

Reuters, 10:16 December 18, 2016

<https://bp.trellisenergy.com/ptms/public/infopost/viewNotices.do?noticeCategoryId=308201&tspId=1&proxyTspId=1&menuId=menu-info-posting-notices-critical>

<https://www.oe.netl.doe.gov/docs/eads/ead121516.pdf>

<https://www.oe.netl.doe.gov/docs/eads/ead062816.pdf>

ExxonMobil Reports Unit Shut at Its 65 MMcf/d Dollarhide Gas Plant in Texas December 18

ExxonMobil reported the P-12 unit was shut on a no flow alert. The operator on Sunday could not get the lube to flow and the unit was awaiting mechanics.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=248921>

Other News

Nothing to report.

International News

Tanker Docks at Libya's Es Sider Port to Load First Crude Oil Cargo in Two Years – Port Officials

An oil tanker docked at the east Libyan port of Es Sider on Monday to load the first cargo of crude since the terminal reopened following a two-year closure, port officials said. The tanker is due to start loading 600,000 barrels of oil for export to Italy on Tuesday. Es Sider, Libya's biggest export terminal, had been shut due to a blockade by a military faction since 2014. It reopened in mid-September, but repairs were needed before tankers could load at the port.

Reuters, 13:43 December 19, 2016

Energy Prices

U.S. Oil and Gas Prices			
December 19, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	52.08	52.69	34.59
NATURAL GAS Henry Hub \$/Million Btu	3.46	3.75	1.75

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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